THE HON'BLE SRI JUSTICE K.C.BHANU

WRIT PETITION No. 16793 of 2005

Date: 15.09.2005

Between:

Silver Jibilee Ryot Club, Vallapuram,
Mudigonda mandal, rep. by its Chief
Volunteer Sri Mekala Saidireddy,
S/o. Narsireddy, r/o. vallapuram,
Mudigonda mandal, Khammam district

…Petitioner

and

1) The Govt. of A.P., rep. by its Secretary,
Agriculture, Secretariat, Hyderabad & 2 others

…Respondents

ORDER:

Since none appeared for the petitioner on 14.09.2005, the matter is posted to today.

The relief sought for in this Writ Petition is to declare the action of the respondents in collecting crop insurance from the member farmers of the petitioner ryot club while granting crop loans under National Agricultural Insurance Scheme issued on 15.06.2005 as illegal and arbitrary.

With regard to National Agricultural Insurance Scheme, a question came up before a Division Bench of this Court in *Andhra Pradesh Rythu Sangham v. Union of India & others*, wherein it is held as follows: (para 11)

> "11. We are of the opinion that the Scheme benefits the farmer indemnifying him against the crop loss. The amount of loan will be recovered from the insurance amount thereby a double purpose is served. The poor cultivator is indemnified against loss and the financial institutions which are co-operative Banks are indemnified against loss by the General Insurance Corporation. This is a social security measure meant for the benefit of rural population and benefits only those who taken loans from the financial institutions. In other words, it is limited to the class of people who are getting subsidized loans from such institutions who themselves have got to be saved against ruin by general calamities affecting the area in question. Such a Scheme can not be said to be in any manner, unreasonable or arbitrary."

Therefore, the matter is squarely covered by the aforesaid decision of the Division Bench. Following the same, the present Writ Petition is dismissed. No costs.

(K.C.Bhanu, J.)

15.09.2005

DRK